



NYFOSA

ESG Questionnaire

September 2024

General industry

Please list the industry's three biggest sustainability (ESG)-related challenges and briefly describe the process for identifying these challenges:

Challenge 1: energy and material use

Challenge 2: sustainable supply chains

Challenge 3: biodiversity

Process: Continuous stakeholder dialogues, discussions upon reoccurring revisions of own sustainability targets in connection with interim reports, discussions upon annual revision of strategy and business plan, as well as the continuous work in the company's Green Finance Committee.

Have you conducted any preliminary assessments of your company in relation to the EU Taxonomy? If so, what was the outcome?

In the preparation for the ESRS the EU taxonomy is in scope. The process to collect data to comply with both ESRS and EU taxonomy will be set this autumn.

The company is not obliged to report according to EU taxonomy today but will be as of January 1, 2025.

Environment

List the firm's three primary risks related to climate change and if any, the firm's climate-related opportunities:

Risk 1: Change in emissions-related taxes and regulations, including insurance

Risk 2: Costs related to sudden weather conditions

Risk 3: Reputation among tenants, creditors, stock and capital market

Climate-related opportunities:

1. Opportunities related to new and improved technologies that reduce energy consumption
2. Opportunities to invest in renewable energy
3. More efficient energy and water usage

Does the firm anticipate any climate-related investments, and if so, to what extent?:

Nyfosa invests in environmentally certified buildings, technology, materials, surrounding environment (resilience) for example. Investments in energy optimization projects in the buildings is a focus area for Nyfosa, as well as a greater percentage of renewable energy sources to be implemented, e.g. solar panels. Energy saving measures are for example heating, electricity, ventilation, and light.

Circular Economy: how are purchases and waste managed? If the firm rely on any scarce resources, please describe what efforts are made to mitigate the risk of those resources becoming scarcer in the future, e.g. recycling, reusing substitutes or improved resource efficiency?

Nyfosa adopts a Code of Conduct for Suppliers. Suppliers are asked to confirm the code for procurements representing 27 per cent (FY 2023) of

the total value procured. The only scarce resource Nyfosa rely on is fossil fuels from transportation.

To increase knowledge of material reuse, Nyfosa collects data on material use and waste for investments exceeding MSEK 2.

Nyfosa initiated a reuse project during 2023 to reuse building materials and interior fittings. We collect data on waste management and have since 2023 a central agreement with a major recycling player regarding waste management at Nyfosa's properties in Sweden.

Transition-related risks (for example changed customer preferences or legislation): Do you anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively affected? If yes, how has the firm positioned itself to handle that risk?

Page 108 in the Annual report 2023:

Risks related to changes in regulations concerning emissions and emission allowances.

- The cost of emission allowances is rising, which means that the company's energy costs will increase. More reporting requirements concerning carbon emissions and energy consumption from our own operations places higher demands on the possibility of gathering data in a systematic manner. This will entail transition costs. Higher insurance premiums on assets that do not reduce their energy consumption and GHG emissions.

Risks related to transitions to new installations to reduce energy consumption and risks of more costly technology to achieve this.

- Adapting the buildings for lower energy consumption, and thereby lower GHG emissions, will in certain cases require investing in new technologies and installations in the buildings.
- Replacing fully functioning technology with modern, more energy-efficient installations may entail higher GHG emissions to produce, transport and install. The destruction of existing installations will also have a climate impact.
- A replacement installation necessitates advance depreciation of existing equipment and costs to install the new one.

Have you set a target to become carbon neutral? If so, how have you defined carbon neutrality?

Although no target has been set yet, Nyfosa works in accordance with Carbon Law and endorses the declaration of Fossil Free Sweden, which aims to halve carbon emissions from the construction and civil engineering sector between 2020 and 2030, halving them again between 2030 and 2040 to finally become climate neutral in 2045.

Please list the firm's (1-2) primary means of making a positive environmental impact or minimising negative environmental impact. Please list the corresponding most relevant UN Sustainability Development Goals. What proportion of sales can be directly linked to selected UN SDGs?

Mean 1: energy use (kWh / sqm) to be reduced by 10 per cent by 2025, compared to 2020

Mean 2: Nyfosa shall work to minimize its CO2 from operations. For example, buy green district heating in the municipalities that offers the green product.

SDG Goals: 7,11,13

Proportion of sales directly linked to selected UN SDGs: the company has not yet linked revenue to the UN SDGs

Social

Does the firm have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?

Nyfosa has had no history of accidents. The company offers several health-promoting benefits including health checks, medical expenses insurance, preventive counseling and advice, as well as a fitness allowance.

Nyfosa adopts a Code of Conduct for Suppliers to ensure that the working conditions at the companies that supply goods and services to the company fulfill the stipulated requirements in terms of work environment and ethical standards and that the assignment is conducted in an environmentally conscious manner.

If applicable, please state your targets for gender and cultural equality and indicate the relative split of men/women at every level of the firm, particularly the Board of Directors and management team.

%	Male	Female
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BoD	71	29
Mgmt	33	67
Other	41	59

Does the company conduct any other community engagement activities aside from those directly connected to the business?

Community engagements include the Real Estate Club at the Royal Institute of Technology and local sports associations.

Nyfosa also collaborate with the higher education institutions by having students have their scheduled internship within our organization. This is to contribute with practical knowledge that students then benefit from in their further studies and career.

How often does the firm conduct audits of its suppliers and how often do you discover incidents not compliant with your code of conduct?

In 2021, a code of conduct was adopted for Nyfosa's suppliers. For 2023, 27% of procurements made during the year was from suppliers who had confirmed the code. An audit of the suppliers' compliance has not yet been conducted.

Please list the firm's (1-2) primary means of making a positive social impact or minimising negative social impact. Please list the corresponding most relevant UN Sustainable Development Goals. What proportion of sales can be directly linked to selected UN SDGs?

Mean 1: The corporate culture is characterized by an open and stimulating work environment, with a large amount of trust and participation. The company regards having the conditions to influence your own situation and plan your own work, for example, with the possibility of flexibility in the form of hybrid work, as a key to health and wellbeing. This also makes it possible for employees to combine parenthood with working life

Mean 2: Nyfosa works actively to ensure skills development and supply of resources. A key part is permitting employees to grow within the organization with gradually increasing responsibility. Nyfosa conducts regular internal training in relevant issues and during the year, courses were conducted on several topics, including IT security and rental and contract law.

UN SDG: 8

Proportion of sales directly linked to selected UN SDGs: Not measured.

Governance

Do all staff members receive continuing education on anti-corruption? Is there an external whistle-blower function? Are there any ongoing or historical incidents involving corruption, cartels or any other unethical business conduct? Have any preventive measures been taken?

Nyfosa's organization must always act credibly, honestly, and transparently. There is an expectation that our employees, business partners and

others with whom the company does business with, and who have concerns about fraud, corruption, or other infractions within Nyfosa's operations, express their suspicions. Suspicions of irregularities can be reported anonymously through a whistleblower function, which is accessed via the company's website and intranet.

CONFIRMED INCIDENTS OF CORRUPTION AND ACTIONS TAKEN

	2023	2022	2021
No. of	0	0	0

Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen:

The company pay's tax in the countries that it operates in; Sweden, Finland and Norway.

How many independent members sits on the Board of Directors?

5 independent members.

Please state if and to what extent, the company has transactions with related parties:

N/A

Which KPIs dictate the remuneration to management (are sustainability and diversity goals included)?

See on Nyfosa's page <https://nyfosa.se/en/corporate-governance/remuneration/> and the remuneration report.

Describe the company's process for monitoring and reporting ESG issues and performance to senior management/the Board. In your response, please confirm what KPIs

are monitored (if any) and how frequently reporting is undertaken.

Sustainability targets are evaluated four times per year in connection with interim reports. See more information in the FY 2023 report, specifically page 102-103.

Have you signed a Union agreement:

No

Principle Adverse Impacts (numeric answers):

- Income (SEKm): 3,553
- Greenhouse gas emissions; Scope 1, Scope 2, Scope 3
 - Scope 1: 845
 - Scope 2: 8,771
 - Scope 3: 1,197
- Share of non-renewable energy consumption: Of the energy purchased in 2023, 48 percent (51) derives from renewable energy sources.
- Share of non-renewable energy production: N/A
- Energy consumption in GWh: 304.3
- Tonnes of emissions to water: N/A
- Tonnes of hazardous waste and radioactive waste generated: N/A
- Unadjusted gender pay gap:
- Board gender diversity: 3 women / 4 men

Principle Adverse Impacts (yes/no answers):

- Fossil fuel operations: No

- Sites/operations located in or near to biodiversity sensitive areas where activities negatively affect those areas:
- Science based target: No
- Reports to CDP: No
- UN Global Compact Signatory: Yes
- Involved in the manufacture or selling of controversial weapons: No
- Whistle blower policy: Yes
- Supplier code of conduct: Yes